



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

Ref: 8ENF-UFO

JAN 27 2016

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Grizz Oleen, Staff EHS Representative
Kerr McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, Utah 84078

Re: Underground Injection Control (UIC); Notice of Violation: Loss of Mechanical Integrity for the Ouray SWD 1 Well (EPA Permit ID# UT20869-04526, API # 43-047-33449) - Ouray Oil Field, Uintah County, Utah

Dear Mr. Oleen:

On January 19, 2016, the Environmental Protection Agency learned by way of email that the Kerr McGee Oil & Gas Onshore LP injection well referenced above lost mechanical integrity on January 18, 2016. Pursuant to the above-referenced UIC Permit and Title 40 of the Code of Federal Regulations Section 144.51(q)(1) (40 C.F.R. § 144.51(q)(1)), you must establish and maintain mechanical integrity. A loss of mechanical integrity is a violation of this requirement.

Pursuant to the above-referenced UIC Permit and the regulations at 40 C.F.R. § 144.51(q)(2), you must immediately cease injection into this well. Before injection may resume, you must demonstrate that the well has mechanical integrity by passing a mechanical integrity test (MIT). You must also receive written authorization from the EPA.

You have notified the EPA describing the action you intend to take regarding the well. It is expected that you will return this well to compliance within ninety (90) days of the loss of mechanical integrity. If you choose to plug and abandon this well, the approved plugging and abandonment plan that is incorporated into the permit must be followed. Any deviation from that plan must be submitted to the EPA for approval prior to the plugging operation.

Failure to comply with the UIC regulations found at 40 C.F.R. Parts 144 through 148 constitutes one or more violations of the Safe Drinking Water Act, 42 U.S.C. § 300h. Such non-compliance may subject you to formal enforcement by the EPA, as codified at 40 C.F.R. Part 22.

If you have any questions concerning this letter, you may contact Gary Wang at (303) 312-6469. Please direct all correspondence to the attention of Gary Wang at Mail Code 8ENF-UFO.

Sincerely,

Suzanne J. Bohan
Assistant Regional Administrator
Office of Enforcement, Compliance
and Environmental Justice

cc: Shaun Chapoose, Chairman
Uintah & Ouray Business Committee

Edred Secakuku, Vice-Chairman
Uintah & Ouray Business Committee

Reannin Tapoof, Executive Assistant
Uintah & Ouray Business Committee

A handwritten signature in dark ink, appearing to be "Reannin Tapoof", is located at the bottom center of the page.